

THE ENTITY COMPLETING THE WORKSHEET SHOULD RETAIN IT AND HAVE IT AVAILABLE FOR REGULATORS IN THE EVENT OF AN AUDIT.

## PHYSICIAN INCENTIVE PLAN WORKSHEET FOR PROVIDERS

**Note:** Each Worksheet should reflect a single incentive arrangement or an aggregate of multiple arrangements that are the same or similar.

The Worksheet should be completed for the contractual arrangements that will be in effect on January 1 of the disclosure year. Annual disclosure is required even if risk is not transferred to providers or patient pool exceeds 25,000.

### General Information

Disclosure year: \_\_\_\_\_

\_\_\_\_\_  
(Print name of entity completing this Worksheet - the first entity in the line checked below)

This Worksheet is being completed to describe the incentive arrangement between (check one below):

- (1) ☒ NA Managed Care Organization (MCO) to physician group\*
- (2) ☒ NA MCO to intermediate entity\*
- (3) ☒ NA MCO to individual physician
- (4) ☐ Intermediate entity to physician group\*
- (5) ☐ Intermediate entity to physician
- (6) ☐ Physician group to physician group\*
- (7) ☐ Physician group to physician
- (8) ☐ Physician to physician
- (9) ☐ Intermediate entity to intermediate entity\*

**[ \*NOTE: Disclosure is required down to the level of arrangements with physicians. Use separate Worksheets for each level.]**

Specify parties to contract: \_\_\_\_\_  
(the first entity in the line checked above)

and \_\_\_\_\_  
(the entity underlined in the line checked above)

**[NOTE: If Worksheet covers multiple contracts, name parties on a separate attachment.]**

For the purposes of the regulation, the following definitions should be used:

**Intermediate Entity** = a physician-hospital organization (“PHO”), integrated delivery system, or individual practice association [“IPA”] that subcontracts with physician groups or with another IPA.

**Physician Group** = a partnership, association, corporation, or other group that distributes income from the practice among members, or an IPA that contracts with individual physicians.

NOTE: If #9 is checked above, stop loss requirements do not apply to intermediate entities (IE). Therefore, such entities may skip to the end of the worksheet and complete the signature and date information. However, be sure to complete disclosures for IE's relationships with provider groups and their physicians (#4 and #7) and with individual physicians (#5) because stop loss requirements apply to these levels.

Physician Incentive Plan Information:
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**Medicare**
**Medicaid**

2) Does the payment arrangement transfer risk?

YES \_\_\_\_\_

\_\_\_\_\_

NO \_\_\_\_\_

\_\_\_\_\_

If risk is transferred, what method is used:

capitation \_\_\_\_\_; bonus \_\_\_\_\_; withhold \_\_\_\_\_; percent of premium \_\_\_\_\_; other \_\_\_\_\_

Fee-for-service arrangements without withholds or bonuses do not transfer risk.

3) Does the physician incentive plan (e.g., capitation, % of premium, withholds, or bonuses) cover services not furnished by the physician or physician group? If YES, proceed to next question.

YES \_\_\_\_\_

\_\_\_\_\_

NO \_\_\_\_\_

\_\_\_\_\_

(Note: Bonuses or withhold arrangements based on utilization or cost factors are included in these compensation arrangements. Incentives based solely on quality or access factors are not included.)

**If response to 2 or 3 is NO, go to last page and enter information about person completing worksheet.**

4) If risk is transferred for referrals, what method is used:

capitation \_\_\_\_\_; bonus \_\_\_\_\_; withhold \_\_\_\_\_; percent of premium \_\_\_\_\_; other \_\_\_\_\_

Fee-for-service arrangements without withholds or bonuses do not transfer risk.

Percent of premium is similar to capitation. If the payment based on % of premium covers referral services without any limit on the costs for referral services, then the entire payment or 100% is at risk for referrals. In the workboxes below, consider % of premium as capitation.

5) If you answered Question 4, please fill in the percentage(s) where indicated and applicable. Note: If the contract does not limit the amount of risk for referral services to a set percentage, insert '100' as the percentage. Maximum compensation is defined as the maximum dollar amount that a physician or physician group might receive for either direct or referral services, or their administration. It does not include bonuses that are not related to referral levels. **Maximum compensation means maximum possible theoretical compensation without regard to historical experience.**

**Medicare Arrangements:** *Maximum compensation* = maximum \$ amount that might be received.

line 1 **Withhold** \_\_\_\_\_% Withhold [where percent of withhold = maximum possible withhold \$\$  
maximum compensation \$\$ ]

line 2 **Bonus** \* \_\_\_\_\_% Bonus [where percent of bonus = maximum possible bonus \$\$  
maximum compensation \$\$ ]

\* Note: Do not include bonuses based on quality or access in either the calculation of maximum possible bonus or the maximum compensation.

line 3 **Capitation** \_\_\_\_\_% Capitation [where percent of capitation  
= maximum capitation \$ entity is potentially liable for referral services  
maximum compensation \$\$ ]

\_\_\_\_\_ % Of Total Compensation At Risk For Referrals (add lines 1, 2 & 3)

**This % is transferred to question 5 on the pip disclosure form; if 25% or less, skip to last page and complete information about person completing form.**

**If % of total compensation at risk for referrals exceeds 25%, this is substantial financial risk and you must proceed to question 6.**

**Physician Group Member Panel Size: *Estimated members for contract year being disclosed.***

- 6) State the total members served under the incentive arrangement(s) to which this Worksheet applies by patient type (e.g. Medicare, Medicaid, and commercial). Note: A physician group can pool to arrive at the total number of MCO members to which this Worksheet applies if the criteria described below are met. If pooling is used, attach an explanation of how it was done to the Worksheet.

Total Commercial members	
Total Medicare members	
Total Medicaid members	
<b>Total</b>	

**If the total Member Panel Size for commercial, Medicare and/or Medicaid exceeds 25,000, go to last page and enter information about person completing worksheet.**

**Pooling Criteria:**

- (1) Pooling of patients is otherwise consistent with the relevant contracts governing the compensation arrangements for the physician or group (i.e., no contracts can require that risk be segmented by MCO or patient category);
  - (2) The physician or group is at risk for referral services with respect to each of the categories of patients being pooled;
  - (3) The terms of the compensation arrangements permit the physician or group to spread the risk across the categories of patients being pooled (i.e., payments must be held in a common risk pool);
  - (4) The distribution of payments to physicians from the risk pool is not calculated separately by patient category (either by MCO or by Medicaid, Medicare, or commercial); and
  - (5) The terms of the risk borne by the physician or group are comparable for all categories of patients being pooled.
- Note that pooling and stop-loss requirements applicable to a group cannot be extended to a subcontracting level. For example: --A physician group has greater than 25,000 patients that meet pooling criteria.

--This group contracts with another physician group, which has 25,000 or fewer patients and bears risk for referrals above 25%.

The first group is exempt from stop-loss requirements; the second group must comply with stop-loss requirements and the MCO must comply with survey requirements.

**Stop-Loss Information: Fill in if % Of Total Compensation At Risk for Referrals Is > 25%**

If incentive arrangements place either a physician or physician group at substantial financial risk, there must be aggregate or per patient stop-loss protection.

Aggregate stop-loss protection must cover 90% of the costs of referral services that exceed 25% of potential payments. Individual per patient coverage may be either combined coverage or separate coverage for institutional and professional services. Per patient stop-loss protection must cover at least 90% of the referral costs that exceed the following threshold, or attachment point, amounts in the chart below:

Panel Size	Combined Institutional & Professional Deductible	Institutional Deductible	Professional Deductible
1-1000	\$ 6,000	\$10,000	\$3,000
1,001 - 5000	\$30,000	\$40,000	\$10,000
5,001 - 8,000	\$40,000	\$60,000	\$15,000
8,001 - 10,000	\$75,000	\$100,000	\$20,000
10,001 - 25,000	\$150,000	\$200,000	\$25,000
> 25,000	none	none	none

Name of carrier/entity(s) through which stop-loss is provided: Is this carrier/entity:

_____	_____ stop-loss carrier
_____	_____ MCO
_____	_____ intermediate entity
_____	_____ physician
_____	_____ stop-loss carrier
_____	_____ MCO
_____	_____ intermediate entity
_____	_____ physician

7.) Note: This data is needed for ques. 7 of the PIP Disclosure Form if the group or physician is at substantial financial risk and the patient pool is 25,000 or less.

Describe stop-loss coverage that covers the incentive arrangement(s) that is being reported on this Worksheet, for:

<b>(A) Professional services:</b>		<b>Medicare</b>	<b>Medicaid</b>
Deductible		_____	_____
Co-insurance percent		_____	_____
Maximum liability		_____	_____
<b>Does this cover (check one below):</b>			
Individual Physicians	YES	_____	_____
	NO	_____	_____
Physician Group(s)	YES	_____	_____
	NO	_____	_____
<b>Is this stop-loss coverage:</b>			
Individual per patient	YES	_____	_____
	NO	_____	_____
Aggregate	YES	_____	_____
	NO	_____	_____

For professional services, describe the services or nature of costs covered under the stop-loss, including any exclusions, variations in coverage amounts, and whether the stop-loss coverage applies to all costs or only referral costs. (If additional space is required for this response, attach additional pages.)

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<b>(B) Hospital/Institutional Services:</b>		<b>Medicare</b>	<b>Medicaid</b>
Deductible		_____	_____
Co-insurance percent		_____	_____
Maximum liability		_____	_____
<b>Does this cover (check one below):</b>			
Individual Physicians	YES	_____	_____
	NO	_____	_____
Physician Group(s)	YES	_____	_____
	NO	_____	_____
<b>Is this stop-loss coverage:</b>			
Per patient	YES	_____	_____
	NO	_____	_____
Aggregate	YES	_____	_____
	NO	_____	_____

For hospital/institutional services, describe the services or nature of costs covered under the stop-loss, including any exclusions, variations in coverage amounts, and whether the stop-loss coverage applies to all costs or only referral costs. (If additional space is required for this response, attach additional pages.)

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(C) <i>Combined (Professional and Institutional):</i>		Medicare	Medicaid
Deductible		_____	_____
Co-insurance percent		_____	_____
Maximum liability		_____	_____
<b><i>Does this cover (check one below):</i></b>			
Individual Physicians	YES	_____	_____
	NO	_____	_____
Physician Group(s)	YES	_____	_____
	NO	_____	_____
<b><i>Is this stop-loss coverage:</i></b>			
Per patient	YES	_____	_____
	NO	_____	_____
Aggregate	YES	_____	_____
	NO	_____	_____

For combined forms of stop-loss, describe the services or nature of costs covered under the stop-loss, to all costs or only referral costs. (If additional space is required for this response, attach additional pages.)

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<b>Date and Signature Information</b>
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Printed name and title of person who completed the Worksheet:

\_\_\_\_\_

Name of organization/employer of person listed above: \_\_\_\_\_

Telephone: \_\_\_\_\_

I certify that the information made in this disclosure is true, complete and current to the best of my knowledge and belief and is made in good faith.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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